

Testimony of Raphael L. Podolsky

Housing Committee public hearing – February 23, 2023

H.B. 6705 – Housing Receivership Revolving Fund

We support this bill, which reactivates the Housing Receivership Revolving Fund by bonding \$450,000 to it. The Fund can be used in housing rent receivership actions brought by municipalities or others to force the repair of multi-family buildings having conditions in violation of health and safety codes. It can be used when a building is blighted but still occupied. The Fund provides an additional funding source to front the cost of the repairs, which become a lien on the property to repay the Fund.

S.B. 1049 –Section 8 program administration and statewide waiting list

We take no position on this bill as a whole, but we do have questions about parts of it:

- Section 1(c) of the bill requires housing authorities administering a Section 8 program to prominently post its Section 8 “payment standard” on its website, along with its Section 8 rules. It is not clear what the purpose of this requirement is. If the purpose is meant to allow tenants with Section 8 vouchers to more effectively search for apartments within the Section 8 fair market rent limits, then the required posting should be more clearly defined.
- Section 1(d) requires the Department of Housing, by regulation, to establish and maintain a statewide list of Section 8 applicants. Applicants would be drawn from this list in order of sign-up date. We support the concept of a statewide list, but it is not clear from the bill how it would work either for tenants or for housing authorities. For example, how would the sequence of the sign-up list match up with vouchers allocated to a particular housing authority and would there be a need to transfer administration of the voucher to a town different from the town that issued it?

H.B. 6666 – Renters’ rights (Governor’s bill)

We support this bill. **Section 1** reduces the security deposit maximum to one month’s rent. As rents have risen, the current Connecticut maximum of two months’ rent has become harder and harder for tenants to satisfy, especially since the tenant usually must pay the first month’s rent at the same time. Nationally, more state maximums are set at one month’s rent than are set at two months’ rent. Four states require 1½ months’ rent. **Section 2** allows towns to impose a civil penalty of up to \$1,000 for violation of health and safety rules. **Section 3** removes the exemption of owner-occupied 1- to 4-family buildings from the statute prohibiting housing discrimination based on sexual orientation or civil union status.

S.B. 1050 – Task forces to study evictions and rent stabilization

We don't think that a study is needed. If, however, the Committee decides it wants to sponsor studies of evictions and rent stabilization, there is nothing that would keep it from creating its own working groups to function between sessions. A statute to do this is not needed.

S.B. 1050 proposes two task forces. The task force on evictions seems to be overly narrow. It isn't really a study of evictions at all but rather a study of their impact on landlords. In fact, its mission is apparently defined as to recommend legislation "to mitigate any adverse impacts of such actions on landlords." It seems to us that a study of evictions or the eviction process should also look at the adverse impacts of eviction on tenants and to direct a search for ways to mitigate those impacts as well. The context for an eviction study should be to explore ways in which matters can be improved or harms mitigated for both parties. If it is looking only at one party, it will inevitably produce a one-sided and out-of-context report. In contrast to the bill's language on evictions, the second task force – on rent stabilization – seems to be more balanced. The task force would be required to report on the potential impact of rent stabilization, not only on tenants, but also on landlords and the housing market of the state.

If there are to be task forces, they should look at the impacts of the studied topics on both parties.

H.B. 6704 – Rental savings accounts

We do not know what these accounts are. We are therefore reserving our comments until after the public hearing.